

November 17, 2014

PRESENT: Philip Bean, Chairman
Mary-Louise Woolsey, Vice-Chairman
Rick Griffin, Selectman
Rusty Bridle, Selectman
Jim Waddell, Selectman
James Sullivan, Assistant Town Manager
Mark Gearreald, Town Attorney

SALUTE TO THE FLAG

I. Oath of Office (2:39)

1. Patrolman Shannon M. Feeley

Police Chief Sawyer thanked the Board for allowing the promotion ceremonies of police officers to be done in front of the Town; and introduced Town Clerk Jane Cypher to swear in newly appointed fulltime Police Officer Shannon Feeley.

Town Clerk Jane Cypher swore in fulltime Police Officer Shannon M. Feeley.

II. Public Comment Period (7:14)

Art Moody, 3 Thomsen Road, spoke about the approval of the October 20, 2014 minutes concerning the vote to go into nonpublic session and requested that they be corrected.

III. Announcements and Community Calendar (12:34)

Selectman Woolsey announced that the leaf pickup will happen on your regular waste day this week; next year we look forward to more leaf collections.

Assistant Town Manager Sullivan announced that there will be another leaf pick up during the first week of December.

Selectman Griffin announced with great sadness the passing of Judy Preston; she had been in the hospital for some time and facing her illness for some time; was the daughter of Ralph and Harriet Harris who were pioneers of Hampton; particularly Hampton Beach; did a lot for the community; she will be missed for her ability to fight for a cause; she contributed much to the community.

Selectman Bridle announced that the Hampton PTA is sponsoring the Harlem Wizards versus the Hampton Hoopsters; the Hampton Hoopsters are teachers, principals and such; the event is this Wednesday at Winnacunnet High School; doors open at 5:45pm; starts at 6:30pm; tickets are \$10 in advance or \$12 at the door.

IV. Consent Agenda (15:00)

1. Release of Welfare Lien
2. Intent to Cut Timber – 478 Exeter Road

Selectman Woolsey MOVED the Consent Agenda SECONDED by Selectman Bridle.

VOTE: 5-0-0

V. Appointments (15:17)

1. Kristi Pulliam, Finance Director
 - a. Monthly Financials

Ms. Pulliam: This is the tenth report and the expenditure target is 83.3%; month's: Total Income came in at \$625,000; Motor Vehicles came in at \$273,000 which is \$51,000 above the monthly budget; other major contributors to the months total were Building Permits at \$32,000, Highway Subsidy at \$80,000, Landfill Grant at \$62,000, Rye Sewer at \$20,000, Departmental Income at \$59,000, Interest on Taxes at \$12,000 and Real Estate Trust at \$84,000; expense summary shows the year-to-date expenses by department; at the end of October the operating departments without debt service but with open POs were 82.07% of the budget which is lower by \$281,000 than the month's 83.3% target; in Finance the Postage and account for Registry of Deeds are both running over budget; in Municipal Information Services the four equipment related accounts, repairs & maintenance through Replacement Equipment, have a combined budget of \$81,000 and through October they are 74.9% spent; Personnel Administration is now within the target budget at 82.6%; the Planning Board is running over budget but when combined with the Office of Planning they are within budget at 76.73%; the Police Department is at 79.38% when the open POs are included; two accounts in Support Services, Part-time Special Officers and Summer Coverage by Fulltime have a combined budget of \$395,000 with \$335,000 spent to date; gap has closed considerably now that summer is over; the Fire Department is at 78.2% overall when open POs are included; the four Fire Suppression OT accounts are at 69.9% of the annual budget; that favorable position is closing in now that summer is done; Highways and Streets is running slightly below target at 80.7% including open POs; Municipal Sanitation is now running slightly above the budget at 83.5% when the open portion of the \$48,000 of chemicals is included; Parks and Rec is within target at 82%; Warrant Articles as we talked last month, all the health and human services have been paid; the cost for the seventh of nine months relating to the CBAs were booked; 2013 Encumbrances showing that 70% have been expended to date with \$102,000 remaining with the largest portion Exeter and High/Lafayette Roads at \$62,000; Beach Sticker donations year to date equal \$17,000 with \$26,800 being granted as scholarships; Cable Committee current fund balance remaining is now running below last year's ending total; the payment approval by the Board to the school for \$38,000 for channel 13 was issued in October; we did receive a franchise check in November so we'll be back over last year's ending number; private detail and EMS are running as normal; was able to calculate some year-end numbers; when you annualize the expenses at the end of October, the projected year-end savings would be under expended by \$284,000 at this point; the comparative from October of 2013 estimate was \$408,000 last year; we're about \$124,000 below that number; need to be mindful of spending through the end

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of the year and pray for no snow; the sewer connection hasn't changed since last time; it's at \$55,093; haven't taken any in since October 15, 2014.

Selectman Woolsey: Appreciate your report.

Selectman Griffin: Appreciate your report; would like you to comment about the information that was in the newspaper? Ms. Pulliam: Don't know if I have answers on all this off the top of my head.

Selectman Griffin: The one that starts with Jamie Sullivan.

Ms. Pulliam: In regards to the tax rate? Selectman Griffin answered: yes. Ms. Pulliam explained that when she was here that night it was just an estimate of \$7.44; I spoke with the DRA they review your MS4 which is your estimated revenues; we review the warrant articles which were submitted by Mike back in April of last year; she came up with additional revenues; she had hardcoded numbers from the state; we were only using estimates of what we believed they were going to be; so when all of those things were taken into consideration, the revenue was higher than what I had estimated at the beginning of September; that is where the offset came for the municipal portion; don't remember exactly what is was higher by; would have to check the form; that's how it dropped from the \$7.44 which was the estimate brought to you up to the \$7.24.

Selectman Griffin: Thank you.

Ms. Pulliam: I can review the rest of these and talk to you; just didn't have time when I was sitting back there to review all of them.

Selectman Bridle: It is a good job as always.

Selectman Waddell: Thank you; good report as always; the motor vehicles that keep going up every month, is that a regular trend every year that happens? Ms. Pulliam: It has been the last couple of years; last year the revenue for the end of 2013 was higher than what was projected; it fluctuates.

Selectman Waddell: Under Management Information Systems, the repairs and maintenance that's up 392%? Ms. Pulliam: That is why I report on those four accounts together; the reason being because we have a default budget Mike was trying to realign the accounts; he was making sure that everything is being spent from the line item that is appropriate for that expense as opposed to just putting in on a line item where there is money left; he and Paul had worked on them last year to get them more in line; when we got a default budget we had to go back to what the original amounts were for those lines; that's why we report on all of them together; together the four accounts there, they are actually only at 74.9%; we're just spending off the proper line.

Selectman Waddell: In general you don't see any problems right now; just need to watch the spending? Ms. Pulliam: Yes.

2. Judy Silva, NHMA (24:29)

Chairman Bean introduced the members of the NHMA. Judy Silva is the Executive Director; it's an exciting partnership we have; she oversees all activities of the New Hampshire Municipal Association; has worked with NHMA since 1992 answering legal questions, advocating municipal interests before the state legislature, and providing training to

municipal officials; before joining NHMA she was a criminal defense lawyer for many years and succeeded in private practice; earned her Bachelor of Science degree from University of New Hampshire; earned her J.D. from the Franklin Pierce Law Center now the UNH School of Law; Cordell Johnston, Government Affairs Counsel; he advocates for New Hampshire municipalities before the New Hampshire legislature and state agencies; before joining NHMA in 2004 he was a member of the Concord law firm of Orr & Reno for nineteen years; he's a former selectman, former member and chair of the Planning Board in the Town of Henniker; he received his B.A. from Princeton University and his J.D. from Boston University School of Law; Barbara Reid, Government Finance Director; she focuses on municipal financial operations and provides legislative analysis of legislative changes on local governments; before joining NHMA in 2005 she was with the New Hampshire Department of Revenue Administration for eighteen years serving most of that time as the Assistant Commissioner; she's a Certified Public Accountant; holds a B.A. degree from Mt. St. Mary College and M.B.A. from New Hampshire College; she's a graduate with a certificate in Forensic Accounting and Fraud Examination from Southern New Hampshire University; this is our advocate near the flagpole in Concord; the municipal services they provide are legal services, training programs, educational publications, and they operate on their own; the NHMA membership which we're so proud to be a member of and have your support with such distinguished personnel; provides legal advisory services and access to legal services hotlines; New Hampshire Municipal Association attorneys are available to answer inquiries and provide general legal assistance to elected and appointed officials; they are a legislative advocacy activities and they carry out the member-adopted legislative policy positions; there is website access; there is municipal law opportunities online; it's an extraordinary organization; this evening is a follow-up; Selectman Waddell attended the meeting in Concord with these very same people a month and a half ago; scheduled this meeting specifically on 77:12 which is NextEra; that got some of the money out of our wallet in this town; we're interested in your quarterbacking precision of that; last year Representatives Cushing and Muns provided legislative reports to rescind that; it was deemed inexpedient to legislate.

Ms. Silva gave an overview of what they are working on.

a. 77:12-a Water and Air Pollution Control Facilities Exemption

Mr. Johnston: Hampton is on the list that have property that is subject to the pollution control exemption; there is no number is shown there; the DRA auditor said this was perhaps due to Hampton excludes putting an amount on line 10a of the MS1 form; instead of putting it in and then deducting it they just don't put it in the first place; will work with Kristi and the Assessor to get that number in; there is a typo in the agenda; it says 77:12 but it's 72:12-a; it's the actual business statute; it provides an exemption from property taxes for equipment that is used for water or air pollution control; the exemption is granted by the state; municipalities have no say over the exemption; if a company wants the exemption they apply to DES (Department of Environmental Services); DES determines whether the equipment qualifies for the exemption; the total amount statewide appears to be subject to his exemption is \$253 million dollars in property value; had a number of bills over the last six to eight years to either appeal the exemption, phase it out, or limit it to netbook value; been working on it awhile; have gotten a few things carved out so they are no longer exempt like private landfills and sewage treatment plants; encouraging to see the enthusiasm Hampton has; it's

still going to be an uphill battle; when going into the legislative hearing we're going to have PSNH, NextEra and every major utility in the state there; Anheuser Busch will be there because they get the exemption along with several others; at the hearing last year there were about twenty people testifying against the bill; have come up with a suggested allocation of responsibilities going forward at least between now and the beginning of the legislative session; the first task is already done which is to file the legislation; it was the very first piece of legislation filed this year; next things need to get other municipalities that are affected by this on board or it will be viewed as a Hampton bill as well as getting people to understand the principle that it doesn't make sense that this property is exempt from taxation; hope Representative Cushing is recruiting cosponsors; contact municipalities that are affected in a major way by this; the appropriate person from the town try to work with Newington, Portsmouth, and Seabrook all of which have major dollar amounts at stake; the Municipal Association would contact the other cities and towns that are significantly affected and try to get their municipal officials to support this; ultimately get their legislators to cosponsor the bill; hoping Senator Stiles can cosponsor it in the senate; it's helpful if we can have both democratic and republican sponsors in both house and the senate.

Chairman Bean: Senator Stiles did call today; she is watching right now.

Mr. Johnston: In October talked about doing some media work; first thing suggested is to draft and op-ed piece that would go into every newspaper we can get to publish it; it has more of an impact if it has Hampton Selectmen, Seabrook Selectmen, Portsmouth Council, etc.; meet sometime right about the beginning of the legislative session to plan the presentation for when we get into a hearing.

Chairman Bean: To provide a little framework on that; there was a settlement that provided for a refund to NextEra from this town in the amount of \$620,000; going forward through 2020 the agreement further calls for an increase in the exemption and a reduction in our tax base for another \$600,000 and change; so this is a \$1.2 million dollar hole.

Selectman Woolsey: It puzzles me how some of these pieces of legislation is drafted; can see if you have a factory emitting piles of smoke and stuff and they put some type of device on top to clean the air but the Seabrook Station here has the cooling tunnel which it needs to run; they haven't done anything unique; no expiration date for this stuff.

Mr. Johnston: We are with you; we've made those same arguments; the original point of this exemption which dates back to the 1950s, it was an incentive to get factories to clean things up; to reduce air and water pollution; now in most cases the equipment is required by either federal or state environmental laws; this exemption isn't getting them to do anything they are not already required to do; need to be prepared for is when we've gone to legislative hearings on this and we've argued for repeal or limitation of the exemption the objection has been has almost nothing to do with pollution control what the companies who get the benefit say is this is an economic incentive; companies come to New Hampshire or stay in New Hampshire partly because of this tax exemption; they don't really talk about pollution control but how it is an economic incentive; they point out how most other states have an exemption; kind of a threat there saying if you take the exemption away we'll move to a different state.

Selectman Woolsey: It is a giveaway for private utilities; state legislature wants an across the board incentive for businesses generically to relocate to New Hampshire and offer them a

couple introductory years; this is ridiculous; it's a total giveaway to private utility companies; thank you for what you are doing; think you will find complete support here.

Selectman Griffin: Thank you for doing for the interest of Hampton.

Selectman Bridle: Would hope we would get some of our other towns in the seacoast; would think Seabrook, Portsmouth, Newington would be very interested in what this is; get them on board as well as the other towns you had said; if we can there are a few more than four or five reps we have and just more than one senator that you'd have; there's two or three other senators; handful or two of reps which would certainly help.

Ms. Silva: Thought if we gave you the assignment of your neighbors there is more influence or cohesiveness with the same area; the legislature needs to hear not just from us; need to hear from the people in the various towns and from legislators.

Selectman Waddell: It has always amazes me that Portsmouth was on board with us with one thing and really pushing; seems other towns had interest in it had no knowledge of it; people aren't staying up to date with things they should be; other thing that is important other than just getting the others involved with us is that a lot of people say it is a tax instead of an exemption; they say it's a new tax and nobody votes for it; they are going to come back and say that New Hampshire has the highest energy costs in the country and if we do this we are going to add to the energy costs; there are a lot of hurdles that we need to overcome; if everyone does their homework and it is presented in the right manner it is potentially something we can overcome; it is a lot of money for Hampton; thank you for what you are doing.

Town Attorney Gearreald: Wanted to thank Cordell; at the NHMA Conference he made a pitch for other towns to join in the Hampton effort at the legislative update segment; observed this same team in action for a number of years and it's a very fine quality team; have a lot of credibility with the legislators; thank you for your efforts; it's great to have you there.

Ms. Silva: Unfortunately when there is one of us and twenty people opposing us at a hearing, it's easy to be dismissed out of hand because the numbers just aren't there; we'll work to change that this year.

Chairman Bean: Looking forward to a vigorous response; a broadening of the effort by Mr. Welch, Mr. Sullivan, and the Board.

Selectman Woolsey: The taxing of the taxpayers; look at Portsmouth, \$27 million dollars in exemptions; Seabrook, \$131,233,600.

Ms. Silva: To the extent that utility property gets taxed by the state; losing that value to the state education trust fund.

Mr. Johnston: The state is losing about \$2,000,000 a year as a result of this exemption.

b. Retirement Issues (51:56)

Ms. Reid: This is a high-level review to show you some of the trends; talk about some of the recent legislation; there are approximately 80,000 members of the New Hampshire Retirement System; just under 50,000 are active members (employees, teachers, police, fire); about 30,000 are retirees; back in 2003 it was about 3 active members to 1 retiree; the most

recent audited numbers for 2013 is about 1.5 active members to 1 retiree; not surprising as the baby boomers are retiring and as a result of the recession; it's significant because the contributions from the employees and employers that are coming into the retirement system is based on the compensation being paid to those active members; the money going out is based on those retirees; as we have fewer active members and there not as much payroll, it's going to have an impact on what's coming into the system; the employees pay a fixed amount that is set by statute into the system; employers pay into the retirement system; then there is the investment earnings; those are the three sources of the revenue that funds the retirement system; in fiscal year 2002 collectively the employers paid in about \$75,000,000; there are about 475 employers; that includes the State of New Hampshire which is the largest employer; topped out in 2011 at just over \$300,000,000; dropped just a little in 2013 to just under \$300,000,000.

Chairman Bridle: What year did the State stop contributing? Ms. Reid: In 2012; I have a chart on that and I'll get to that shortly; a big piece of what funds the retirement system as it funds most public pension systems is the earnings on investments; it's been quite volatile; big issue in terms of the employer rates; the actuaries look at all the members of the system and determines how much money the system needs; looks at how much the employees are paying in which is a set amount by statute; it assumes a certain rate for the investment returns; the Board of Trustees set an assumption; they assume how much how much we're going to get long-term from investment earnings; the difference is made up by the employers; it's really the employers rate that changes every two years based on the actuarial review; when the actuaries are looking at what is needed they are making a lot of assumptions; they are assuming when is someone going to retire, when is someone going to die, how much they are making when they are going to retire, and all those types of assumptions; the big assumption is what are those investment returns going to be; the Board adopted an assumed rate of return at 7.75%; they lowered it a couple years ago; it had been 8.5%; that difference needs to be made up somewhere; that somewhere is in the employer contributions; the more they lower the assumed rate of return the more it's going to cost the employers; the New Hampshire Retirement System is not a fully funded system; it does not have 100% of the assets to pay 100% of the liabilities; the benchmark that most public pension systems use is to be 80% funded; use a 30 year horizon; not everyone is going to be retiring tomorrow; the New Hampshire Retirement Systems is funded at about 56%; they have adopted a plan to pay off their unfunded liabilities; it was a 30 year payoff; there is a plan to payoff that unfunded liability; as of 2013, the unfunded liability was about \$4.5 billion dollars; on top of that there was another \$7.5 million dollars associated with what was called the medical subsidy; a huge chunk of what is being paid in now is to take care of the unfunded liability; historically the state had been paying in 35% of the retirement costs for the teachers, police, and fire; it predated the existence of the retirement system; it came into existence about forty years ago; before that there were separate systems for police, fire, teachers, and state employees; they were consolidated into one system; back then the State was contributing towards the cost of police, fire, and teachers; you have been delegated that responsibility; in 2009 that 35% was about \$52 million that the state contributed to teachers, police, and fire; they started reducing that and eliminating it completely in the fiscal year 2013; there is no contribution right now; in 2012 there were some significant reforms done; there were changes to the benefits that were being provided to primarily non-vested or new hires; there was an increase in what the employees can contribute; that had a significant impact on the employer rates; that happened

at the same time the State eliminated their contribution; around that same time the Board of Trustees looked at their assumed rate of return and felt they needed to be more conservative in what they were estimating; by reducing that it had an impact on the employer rates; when the retirement system just certified the rates for fiscal years 2016 and 2017, which begins July 1, 2015, we're not seeing the kind of increases we've had in the past; part is due to the fact that the reforms they did are starting to kick in; these kind of changes aren't going to kick in overnight; when those changes were made on the new hires, you have to wait for those new hires to be hired to start projecting what their benefits are going to be; never have taken a pension holiday; employers didn't pay as much as they should have; they paid what they were told to pay; New Hampshire reduced the benefits and increased the retirement age; sharing the risk with employees hasn't been addressed; when any of the assumptions don't happen it's the employer rates that fluctuate; the employers really bear all that risk; increasing the employee contributions was done but there is legal challenge to that right now; went all the way to the Supreme Court; waiting on that decision; recommended change on the governance and investments oversights was also changed; the governance was restructured; a separate independent investment committee was established to make their investment recommendations to the Board; it's not as easy as it sounds to just change to a defined contribution plan; concerned with if the legislature is considering doing anything to this system that they make sure they have a full fiscal analysis of what that impact will be; part of what got this system in trouble of the last 15-20 years is that there was so much tweaking of the system; important employees understand what the impact would be for them; it's an important piece of our policy; legislature spend the money to fully analyze any changes they see coming forward; in 2007 there was a retirement commission that looked at all kinds of aspects and made a lot of recommendations that did take a few years to implement; appropriate to wait until 2017 when the commission, which includes all stakeholders, if formed again to look at all the issues legislature wants to tweak.

Selectman Woolsey: The Trustees are overestimating the income; blows me away how they get away with it; are there parameters for the Trustees as to their responsibility projecting some of these figures; do they have professional help? Ms. Reid: Yes they do; they do have investment advisors; where they ended June 30, 2014 overall it was almost an 18% return on investment; the year before it was 15%. Ms. Silva: They smooth it for the rates.

Selectman Woolsey: Some of these percentages I'm having difficulty wrapping my head around; the years that they kept giving more and more benefits without understanding the long-term consequences. Ms. Reid: That is explained in the article; it was the actuarial methodology that they were using to figure out what are the liabilities; it kind of masked the true picture; it looked like there was a lot more money to give benefits than there really was.

Selectman Woolsey: That is why I was questioning the financial whomevers on their financial advising on some of these things. Ms. Silva: The difficulty there, in part, is that the legislature gives benefits; everybody has a much greater understanding of how the retirement system works.

Selectman Woolsey: Understand your kick down to the lower levels; offload these responsibilities to the communities; don't know if we would have a legal leg to stand on to go back as communities to force the State to pay their share; think it is outrageous they have done something like this and dumped on the communities; they are the ones who set up the

system to begin with; it's crippling our ability to hire personnel. Ms. Reid: Fulltime teachers, police, and fire are required by statute to be part of this system; have no choice.

Selectman Woolsey: Don't mind the fact that they are part of the system; my complaint is if it's going to be a three-way system, let's get the State moving in it; this is a terrible predicament for the communities statewide.

Selectman Griffin: How would you say how New Hampshire compares to other states; could you make a general assumption? Ms. Reid: It is a little difficult; in Massachusetts there isn't one consolidated system that all the towns belong to; many of the municipalities have their own systems; the only ones in New Hampshire that have their own system is the City of Manchester has their own for employees; their public service and teachers are in New Hampshire Retirement System; the City of Nashua Public Works has their own for employees; ours is also a cost sharing system; it's a multiple employer cost sharing plan opposed to some states where they may be administering it jointly but each employer may have their own accounting; compared to other cost-sharing, we are probably lower on the scale than the average with our 56% funding ratio; do think we the remedies the retirement system has put in in terms of lowering the assumed rate of return, the actuarial methodology, some of the steps they have taken; the fact that they don't do the rolling thirty year of the mortgage; those are all steps in the right direction that some other cost-sharing plans haven't done; even though we are low with our funding, the steps taken so far are definitely steps in the right direction.

Selectman Bridle: That is, of course, unless the legislature screws with it again! Ms. Reid: That is why we kept saying wait the ten years; wait until 2017; bring it all to the table; do a full analysis.

Selectman Bridle: Looking back over the years, this all goes in cycles, there are a number of years that the cities and towns, at the legislatures doing, were paying probably less than if they were paying to social security on these employees; police and fire don't have social security; if they hadn't dropped that rate so low, how would we look now if that hadn't been done; what prevents them from dropping that employer rate again? Ms. Reid: The Board by the constitution has to set the rates that are actuarially sound; they do have to rely on the actuarial review that is done; the actuaries will come in with ranges; the legislature could change what the employees contribute for example; that difference needs to be made up somewhere; the only place for it to be made up is the employers.

Selectman Bridle: Is there a requirement that the employers pay at least as much as the employees? Ms. Reid: Believed there was a provision in the law put in a few years ago that said the employers rate can't drop below the employees; as you can see from the chart we have a long ways to go; think that will happen when that unfunded liability gets paid off; twenty-five more years is probably when that will come into play.

Selectman Bridle: Hope the stock market does well the next twenty years; thank you.

Selectman Waddell: Complicated issue; it involves people who are retired and involves people who are working that were made a promise; it involves the State and municipalities; right now the municipalities are the ones that are suffering; back when we did some reforms think we missed a chance of doing bigger reforms because people wanted to go with that defined contribution; need to be on our toes with this next legislative session coming up that

something like that doesn't come back up; sometimes people think of a simplistic answer to a complex problem.

Ms. Reid: Switching to a defined contribution plan that \$4.6 billion liability doesn't go away; it looked like the transition would cost another billion dollars; that's a big piece of why it didn't go forward. Ms. Silva: When Utah did that they were like 99% funded.

Chairman Bean: Thank you for your participation in Concord and the insight you bring Selectman Waddell; thank you for lifting the hood on this thing and your excellent presentations both in Concord and the material you supply down here; it's important for the Board of Selectmen and their compliance with the state statute to undertake the prudential affairs of the town; this certainly is one; NextEra at \$1.2 million is certainly one; you are a magnificent force for us to deal with and we really do cherish and respect and fully utilize your services; your resumes and accomplishments are truly extraordinary and we appreciate that and we are blessed; this pension along with our health insurance costs eat up a substantial part of our budget; it's about \$6 million on a \$26 million dollar budget; that crowds the room for our employees; that crowds the taxpayer; it crowds infrastructure; it's important for us to at least look under the hood; this is not a pretty sight; it's a perfect storm as you say in your article of funding, demographics, and everyone is living so long; when they are not working it's problematic for all of us; we have to continue to march; the contributions from the employer side have risen 400% in eleven years; it's substantial; defined benefit and defined contribution, it is an undefined cost; it has a life of its own; it's paralyzing; want to protect our employees and taxpayers; find the return at 9.2% over twenty years; if you took that 9.2% and plugged that into the model right now for the return, you'd actually create a net revenue gain at least on paper of over \$1 billion dollars; think that should be looked at; have confidence in the outcome; it all seems to be working; over twenty years the rate is 9.2%; they are down to seven and change; right there alone is over \$1 billion dollars; think they need to up that; would think you folks would be an advocate for that; twenty years is a long time; if you get it back up there, back in 2008 people appeared to be rattled, but I just crunched the numbers, the last twenty years is 9.2% that fund has earned; should get there; we look forward to working with you Cordell; thank you very much.

VI. Approval of Minutes (1:28:54)

1. November 03, 2014

Selectman Woolsey: Would like to get some guidance from Counsel on Mr. Moody's remarks before acting on this.

Chairman Bean: We will push these minutes back.

Assistant Town Manager Sullivan: The wording came from Counsel in the first place.

VII. Town Manager's Report (1:29:35)

Assistant Town Manager Sullivan: Met with Mr. Welch today; brought him up to speed on everything we are working on; he's looking well; should have some indications from the doctor about some more office time he'll be able to spend in the coming weeks.

Selectman Woolsey: The hunting signs for Jonty's Lane and Whites Lane? Assistant Town Manager Sullivan: Received an email that it's being taken care of; expediting posting them; not exactly the wording they were looking for; they wanted them up quickly.

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Selectman Woolsey: Hunting season goes through December; would be nice to understand what is happening in the 12 share area. Assistant Town Manager Sullivan: That is a little more challenging; as long as it's open for that purpose, Fish & Game would enforce any concerns we have with hunting.

Selectman Woolsey: Not talking about hunting in this case; talking about target shooting of individuals that may or may not be of age. Assistant Town Manager Sullivan stated: not aware of any additional complaints.

Selectman Bridle: Received an email the other day from a citizen on Mill Road; that path that comes out from Marston School there used to be a crosswalk there; since they have repaved, the crosswalk never got put back there; she had a concern there where a lot of parents drop kids off there to cut through; couple of times they have had near misses; could we check with Keith to see if there should be one there or it warrants one there.

VIII. New Business (1:32:17) No New Business.

IX. Old Business (1:32:25)

Selectman Woolsey: When are we actually going to sit down and go over the proposed warrant articles? Assistant Town Manager Sullivan: Next Monday; hope to have that material to you for Wednesday.

Selectman Woolsey: Many of the issues still hanging related to Public Works; would like to get some kind of heads up before we tackle those particular articles. Assistant Town Manager Sullivan: The goal is to have Keith in here Monday so you can speak to him; you'll have several alternatives for the Exeter Road that he was asked to put together.

Selectman Woolsey: The other thing to look at is the Mill Pond Dam; was not aware that the Grist Mill has been designated as historic site; trying to wrap my head around federal regulations versus state regulations; we've been ordered by the state to decommission the dam or rebuild it; do the feds come in only if that is an official historic site; are there regulations with the feds that could cause a problem with what DES is telling us to do; would like to have more clarification; want to get going on the warrant article for the flood; whatever we need to do to comply with the flood regulations for the community to give ourselves a better rating.

X. Closing Comments (1:35:15) No Closing Comments.

XI. Adjournment (1:35:20)

Selectman Waddell MOVED to ADJOURN the public meeting at 8:32PM SECONDED by Selectman Bridle.

VOTE: 5-0-0

Chairman